

**STATE OF CALIFORNIA
DEPARTMENT OF INSURANCE
45 Fremont Street, 21st Floor
San Francisco, California 94105**

June 17, 2008

REG-2008-00022

PROPOSED REGULATION TEXT

Proposed additions to existing text are in *italics*; proposed deletions to existing text are in ~~striketthrough~~.

**TITLE 10. INVESTMENTS
CHAPTER 5. INSURANCE COMMISSIONER
SUBCHAPTER 3. INSURERS**

Section 2359.8 Statistical Plan Enforcement Remedies

- (a) This section shall apply to all entities or persons that conduct the business of title insurance within the meaning of section 12340.3 of the Insurance Code.*
- (b) This section concerns matters relating to all of the books, records, accounts, payments, rates, charges, fees, rating plans, rating systems, underwriting rules, policy forms, financial data and related information required to be collected or reported in accordance with Articles 5.5 and 6.9 of Chapter 1, Part 6, Division 2 of the Insurance Code and the regulations that implement, interpret or make specific those provisions.*
- (c) In the event that an entity or person described in subsection (a) fails to collect or report any information required by the provisions of law referenced in subsection (b), the Commissioner may take the following action to ensure compliance with those provisions:*
 - 1. The Commissioner may conduct proceedings in accordance with the provisions of Chapter 5 (commencing with section 11500) of Part 1 of Division 3 of Title 2 of the Government Code to deny, suspend or revoke any license or certificate of authority issued by the Commissioner to that entity.*
 - 2. The Commissioner may examine the business and affairs of the entity and may analyze, inspect, collect, compile and report the data required by the provisions of subsection (b) that the entity has failed to collect or report. The costs of such examination, including the costs associated with analysis, inspection, collection, compilation and reporting shall be at the expense of the company.*
 - 3. The Commissioner may collect a late filing fee in accordance with section 924 of the Insurance Code.*

(d) All data required to be reported to the Commissioner in accordance with the provisions of law referenced in subsection (b) shall constitute “statements or stipulations required by this code” within the meaning of section 924 of the Insurance Code.

(e) Nothing in this section shall limit or preclude the Commissioner from taking other corrective action consistent with applicable law.

NOTE: Authority Cited: Sections 924, 12401.1, 12401.5, 12401.7, 12401.9, 12414.17, 12414.18, 12414.20, 12414.21, 12414.22, and 12414.23 of the California Insurance Code; and 20th Century Ins. Co. v. Garemendi (1994) 8 Cal.4th 216. Reference: Sections 11500 et seq. of the California Government Code; sections 730, et seq., 12401, 12401.1, 12401.2, 12401.3, 12401.7, 12401.5, 12401.8, and 12401.9 of the California Insurance Code.